DEPARTMENT OF WORKFORCE DEVELOPMENT

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TO: Economic Support Supervisors

Economic Support Lead Workers

Training Staff

Child Care Coordinators

W-2 Agencies

FROM: Amy Mendel-Clemens

Communications Section

Bureau of Health Care Eligibility

BHCE/BWP OPERATIONS MEMO

No.: 03-18

Date: 03/12/2003

Corrected

Non W-2 [X] W-2 [] CC []

PRIORITY: HIGH

SUBJECT: Recipient Notice on

Confidentiality of Health Care Information

PURPOSE

This operations memo provides information on a notice the Division of Health Care Financing (DHCF) is sending to recipients by April 14, 2003, about new federal regulations ensuring confidentiality of health care information. A draft of this notice is on the final page of this Memo.

BACKGROUND

A federal law was enacted to address the issues presented by the health care industry's increasing use of and reliance on electronic technology in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104–191, which was enacted on August 21, 1996. This Act affords new rights to patients concerning the use and disclosure of their private health information. The act also directed the United States Department of Health and Human Services to propose regulations on the physical security of health information. HIPAA requirements have been phased in gradually, and will be fully implemented in October 16, 2003. HIPAA privacy regulations take effect April 14, 2003.

POLICY

The HIPAA privacy regulations apply to all "covered entities". This term includes health plans, health care clearinghouses, and health care providers who transmit health information electronically. DHCF, as the state agency administering the Medicaid program, is a "covered entity" under HIPAA.

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One of the HIPAA privacy requirements is that covered entities send a notice of privacy practices to all customers/participants by April 14, 2003. As a covered entity, DHCF will be sending a notice of our privacy practices to all adult Medicaid recipients by April 14, 2003. The regulations are very specific in regard to the contents of the notice. DHCF will begin sending this notice to recipients the week of March 17th. By April 14th, all recipients will have received this notice. A draft of the notice that recipients will be receiving is attached. The notice provides recipients with DHCF policies and procedures and the recipients rights concerning private health information. The notice also explains when DHCF is allowed to share a recipient's information with others without a prior authorization. Recipients with any questions about the notice are directed to call the Medicaid (MA) Recipient Hotline (1-800-362-3002). The Medicaid Fiscal Agent, EDS, is providing extra coverage on the hotline for the next several weeks to handle the additional calls expected. If you get questions regarding these notices, please refer the customer to the MA Recipient Hotline.

In addition to the privacy notice from DHCF, recipients may receive HIPAA related privacy notices from other "covered entities", including but not limited to Medicaid HMO's. Customer questions regarding these notices should be directed to the "covered entity" issuing the notice.

Income Maintenance agencies are not specifically designated as "covered entities" under HIPAA regulations. However, Income Maintenance agencies' interactions with other covered agencies and health care providers may be affected. We will share more information about HIPAA as it relates to Income Maintenance in the next several weeks.

ATTACHMENTS

Sample HIPAA Notice (Notice of Privacy Practice)

CONTACTS

BHCE CARES Information & Problem Resolution Center

Email: <u>carpolcc@dwd.state.wi.us</u>
Telephone: (608) 261-6317 (Option #1)

Fax: (608) 266-8358

Note: Email contacts are preferred. Thank you.